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Received - 2021-12-17 02:46:20 PM
Control Number - 52786
ItemNumber - 10

PROJECT NO. 52786

ERCOT COMPLIANCE REPORTS OF	§	PUBLIC UTILITY COMMISSION
GENERATION RESOURCE WINTER	§	
READINESS PURSUANT TO 16 TAC	§	OF TEXAS
§ 25.55(C)(4)	§	

**NOTICE OF DISAGREEMENT WITH TPC GROUP LLC'S
ASSERTION OF GOOD CAUSE**

The Staff (Commission Staff) of the Public Utility Commission of Texas (Commission) files this notice of disagreement with TPC Group LLC (TPC)'s assertion of good cause for non-compliance with the Commission's weatherization rules submitted under 16 Texas Administrative Code (TAC) § 25.55(c)(6)(A). Commission Staff hereby provides this notice of disagreement as required under 16 TAC § 25.55(c)(6)(B).

I. BACKGROUND

TPC is a power generation company (PGC) registered with the Commission under PGC registration number 20045.¹ On December 2, 2021, TPC submitted to the Electric Reliability Council of Texas (ERCOT) its winter weather readiness report (WWRR) for one generation resource in compliance with 16 TAC § 25.55(c)(2) that included one or more assertion(s) of good cause for non-compliance with the Commission's weatherization requirements established under 16 TAC § 25.55(c)(1).

Under 16 TAC § 25.55(c)(6)(B), Commission Staff and ERCOT are required to expeditiously review assertions of good cause submitted under 16 TAC § 25.55(c)(6)(A) in order to determine whether good cause for non-compliance reasonably exists. To the extent Commission Staff disagrees with an assertion of good cause, Commission Staff is required to file a notification of its disagreement in this project.

¹ According to the Texas Reliability Entity investigation PAR201500015 concluded in 2015, Texas Petrochemicals LP was the PGC registered to operate generation unit PR-PR_G2. The Texas RE learned through its investigation that Texas Petrochemicals LP changed its name to TPC Group LLC. However, Texas Petrochemicals LP never amended its power generation company registration, which results in a violation of Commission rules. TPC can avoid this additional violation by filing an amendment to its PGC registration reflecting its current name and updating any contact or other information, as appropriate. If TPC fails to file this registration amendment by January 7, 2022, Commission Staff will proceed with this additional enforcement action.

II. DISAGREEMENT WITH ASSERTION OF GOOD CAUSE

Commission Staff and ERCOT have reviewed the WWRR submitted by TPC to ERCOT on December 2, 2021 and Commission Staff hereby notifies TPC of disagreement with the following assertions of good cause:

- PR-PR_G2
 - TPC asserted good cause for not complying with 16 TAC § 25.55(c)(1)(B). Commission Staff disagrees with the assertion because TPC did not provide sufficient documentation regarding the heat tracing installation project end date.
 - TPC asserted good cause for not complying with 16 TAC § 25.55(c)(1)(D). Commission Staff disagrees with the assertion because TPC did not provide dates by when training on cold weather operations would be completed or provide periodic deadlines for TPC provide ERCOT with status updates demonstrating progress toward compliance in accordance with 16 TAC § 25.55(c)(6)(A)(iii).

III. NOTICE

As established under 16 TAC § 25.55(c)(6)(C), within seven days² of receiving this notice, TPC must either provide the Commission with proof of compliance with the above-described weatherization requirements or, alternatively, may preserve the disputed good cause assertions by submitting to the Commission a request for approval of a good cause exception. The request for approval must contain all information required under 16 TAC § 25.55(c)(6)(E).

Commission Staff has provided a copy of this notice to TPC by e-mail sent to the following authorized representative contained in the Commission's records:

Floyd Howard
Texas Petrochemicals LP
fhoward@txpetrochem.com

Commission Staff also has also sent a copy of this notice to TPC by e-mail sent to the following:

Chris Harrison
Energy Optimization Manager
TPC Group LLC

² Seven days from the date this notice was filed is December 24, 2021, which is an agency holiday. The next day the Commission is open for business is Wednesday, December 29, 2021. Therefore, under 16 Tex. Admin. Code (TAC) § 22.4(a), the deadline to respond to this notice is December 29, 2021.

christopher.harrison@tpcgrp.com

IV. INVESTIGATION OPENED

TPC is hereby notified that Commission Staff has opened an investigation related to TPC's compliance with 16 TAC § 25.55(c), concerning winter weather emergency preparedness. The investigation record number is 2021120027.

Commission Staff notes that, under PURA § 15.023(b-1), the Commission is authorized to impose administrative penalties of up to \$1,000,000 per violation per day for violations of rules established under PURA § 35.0021. Each day a violation continues or occurs is a separate violation for purposes of imposing a penalty. To the extent that TPC fails to timely file a request for approval of a good cause exception or provide proof of compliance with the above-described weatherization requirements, TPC will be in violation of 16 TAC § 25.55 and, therefore, eligible for the maximum administrative penalty allowed by law.

Date: December 17, 2021

Respectfully Submitted,

PUBLIC UTILITY COMMISSION OF TEXAS

COMPLIANCE AND ENFORCEMENT DIVISION

Barksdale English
Division Director

/s/Van Moreland
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CERTIFICATE OF SERVICE

I certify that notice of filing of this document was provided to all parties of record via electronic mail on December 17, 2021 in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/Van Moreland

Van Moreland